

Economics 440-01  
Globalization and Its Discontents  
MW 14:30-15:50 Higley 223

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## 1. Course Objective

“Those who exercise power always arrange matters so as to give their tyranny the appearance of justice” - La Fontaine, 1668.

Over the course of last two decades the term "globalization" has become more and more pervasive in describing and analyzing the world we live in, but what does it actually mean? Is it a new development? What are the political, economic and cultural dimensions supporting and producing it? What counter-forces does it create? Is globalization a force for higher economic growth, prosperity, and better democratic rights? Or is it a force for increasing poverty, environmental degradation, exploitation of the developing world, and suppression of human and workers' rights?

Defined as a process by which the lives of people around the world become increasingly interconnected in economic, political, cultural and environmental terms, along with an awareness of such interconnections, does it lead to a truly global flow of capital, labor and opportunity or does it limit itself to a few regions or counties at the expense of others? Or, what we experience is a form of double movement, “globalization and social marginalization” on the one hand and “resistance by the communities around the globe to the unleashing forces of global capitalism”

The study of globalization requires a multidisciplinary approach and by no means is limited to economics. Therefore, this course will also be interdisciplinary by design, in its critical approach as well as in its multidimensional content. Yet, we will be concerned mostly with the determinants of the new wave of globalization by examining the debates around the globalization of international finance, trade and investment in conjunction with the issues raised by the anti-globalization movement. While our goal is to examine contesting arguments on all sides of these debates and to evaluate them against criticisms and evidence in a rigorous and critical fashion, we will primarily focus on the discontents literature regarding the merits of globalization.

Please also note that this course is organized according to the principle that *there is no such thing as neutral science*.

## 2. Course Structure

The course is designed as a an upper level seminar class based on lectures, assigned readings from books and various articles, films, and class discussions. The students are expected to come to each class after having read the assigned readings, and to participate in classroom discussions. Students are responsible for ALL ASSIGNED MATERIALS.

### 3. Course Requirements and Grade Weights

- Quizzes. We will have a minimum of 10 short essay pop quizzes based on the assigned readings for that day. (20%)
  
- Class participation, i.e., asking questions, making arguments, citing evidence, demonstrating knowledge of readings assigned for the day. News updates and bi-weekly short essays are also counted as a part of your class participation. The extent to which your class interventions are relevant, and focused directly on the discussion underway will be factored into this part of your grade. (20%)
  - Bi-weekly short essays circulated via e-mail list, maximum 2 pages. Due by 6 pm on Sundays and Tuesdays before each class. Pick one-two argument(s) made by the readings for the relevant week, and critique it, drawing if desired on the other readings for that week. Take a clear position, making your own critical argument at the start of the essay and structuring it to present your argument.
  - News updates. At the beginning of each class, one student will present a brief overview (5 mnts. long) of news from media outlets on topics related to the subjects of this course. The globalization phenomenon is always in the news, and I will be talking about current events from time to time. Keep informed of current issues regarding globalization by following daily news both from domestic and international media sources.
  
- Take-home final examination. Take-home examinations are due in class on **April 24**. Exams must be typed and should be no longer than 8 pages in length. (20%)
  
- Research Paper (35%):
  - 8000-10,000 word research paper due in class on **March 27**, or earlier. The topic for the paper must be approved in advance. The research paper is divided into several stages, including a one-page proposal (due **January 30**), (2%) 2-4 page annotated description of the paper outline and sources (due **Feb 15**), (3%), and the final paper. (20%)
  - Research presentation. Present your research paper's puzzle, argument, evidence, and implications in a 10-to-15-minute "conference-style" talk. Respond to questions. (10 %)
  
- Serve as discussant/commentator on another student's research presentation. Based on another student's research paper, write 2-3 pages of detailed but constructive comments, focusing on substantive arguments and evidence. Present these comments orally for 5 minutes after the subject's research presentation. (5%)

### 4. Required Books and Readings

Baker, D.; Epstein, G. and Pollin, R. (Eds) (1998), *Globalization and Progressive Economic Policy*, Cambridge University Press.

Greider, W. (1998), *One World Ready or Not: The Manic Logic of Global Capitalism*, Simon&Schuster.

Polanyi, K. (1944), *The Great Transformation*, Beacon Press: Boston.

Additional required readings will be available from *Blackboard*. The students are expected to do the required readings before the associated class. Questions regarding the assigned readings and topics prior to each class are welcome. I will return your e-mails within 24 hours.

### **5. Term Paper**

The research paper is on a topic of your choice with a well-focused question. You must make a clear argument and defend your claims rigorously and systematically with evidence. Check the course web site for the handout on formatting and style guidelines and instructions for this assignment.

### **6. Academic Ethics:**

Cheating on assignments and exams, or plagiarizing (misrepresenting as one's own anything done by another) is penalized by Denison University. A student found in such a situation will be given an F in the class and will be brought to the Provost's Office for further penalties.

### **7. Students with Disabilities**

Any student who feels he or she may need an accommodation based on the impact of a disability should contact me privately as soon as possible to discuss his or her specific needs. I rely on the academic support & Enrichment Center in 104 Doane to verify the need for reasonable accommodations based on documentation on file in that office.

### **8. Grading Scale**

97.5-100:	A+	77.5-79.9:	C+
95-97.49:	A	72.5-77.49:	C
90-94.49:	A-	70-72.49:	C-
87.5-89.9:	B+	67.5-69.9:	D+
82.5-87.49:	B	62.5-67.49:	D
80-82.49:	B-	60-62.49:	D-
		less than 60	F

I reserve the right to adjust this schedule of grade equivalents in the student's favor.

## 9. Course Outline and Reading Assignments

The following is a tentative list and schedule of topics and required readings. All readings should be completed by the date listed. Additional readings may be assigned from time to time.

Polanyi; Baker et al.; and Greider refer to “Polanyi, K. (1944); “Baker, D.; Epstein, G. and Pollin, R. (Eds) (1998); and “Greider, W. (1998). \*Refers to suggested but not required readings.

# Globalization and Its Discontents

## Course Outline

### PART I: UNDERSTANDING GLOBALIZATION

#### 1. What is Globalization?

Baran, P. (1961), The Commitment of the Intellectual, *Monthly Review* (May).

##### a. The Rise of the Market Society (Jan 16&18)

Polanyi Ch. 3, 4, 5, 6

##### b. Economic Globalization: Definitions, Patterns and Trends (Jan 25)

Baker et al., Introduction (Ch.1); Greider, Ch. 1, 2

Milanovic, B. (2003), The Two Faces of Globalization: Against Globalization as We Know It, *World Development* 31(4): 667-683.

### PART II: THE ECONOMIC GLOBALIZATION

#### 2. Globalization, Economic Convergence and the Varieties of Capitalism:

##### a. International Economics Institutions: The Birth and Revival of the Liberal Creed (Jan 30)

Polanyi, Ch. 11, 12; Baker et al., Ch. 2 (p.37-66)

##### b. Washington Consensus: Globalization, our way or highway? (Feb 1)

Cross, R. and Strachan, D. (2001), Three Pillars of Conventional Wisdom, *Review of Political Economy* 13(2): 181-200.

Weisbrot, M. (1999), *Globalization: A Primer*. Center for Economic and Policy Research. Available at: [http://www.cepr.net/publications/global\\_primer.htm](http://www.cepr.net/publications/global_primer.htm)

### **3. Globalization of Financial Markets and Financial instability:**

#### **a. The Rentiers' Regime (Feb 6)**

Greider, Ch. 11, 13; Baker et al., Ch. 7 (p.163-191), 8 (p.195-218)

Croty, J. (2005), The Neoliberal Paradox: The impact of destructive product market competition and 'modern' financial markets on nonfinancial corporation performance in the neoliberal era. In G. Epstein (ed) "Financialization and the World Economy". Political Economy Research Institute, Edward Elgar.

#### **b. The Rise of Financial Crises (Feb 13)**

Greider, Ch.12

Stiglitz, J. E. (2000), Capital Market Liberalization, Economic Growth, and Instability, *World Development* 28(6): 1075-1086.

Frenkel, R. (2003), Globalization and Financial Crisis in Latin America. Paper Presented at Working Group 2, Second Plenary Meeting, Inter-Parliamentary Forum of Americas: Panama 20-21 February,.

Jayarusiya, K. and Rosser, A. (2001), Economic Orthodoxy and the East Asian Crisis. *Third World Quarterly* 22(3): 381-396.

\*Diaz-Alejandro, Carlos F. (1985) "Good-Bye Financial Repression, Hello Financial Crash" *Journal of Development Economics*, 19(1-2): 1-24, February.

\*Boratav, K. and Akyuz, Y. (2003), The Making of the Turkish Financial Crisis, *World Development* 31(9): 1549-1566.

\*Taylor, L. (2001), Argentina: A poster Child for the Failure of Liberalized Policies? *Challenge* (November-December).

\*Calvo, G. A.; Leiderman, L.; Reinhart, C. M. (1996), Inflows of Capital to Developing Countries in the 1990s, *Journal of Economic Perspectives*, 10(2): 123-139.

### **4. Globalization of International Trade and Production**

#### **a. Globalization of Trade and the Rise of FDI (Feb 15)**

Greider, Ch.6, 7; Baker et al. Ch. 5, 6 (p.97-146)

Petras, J. (2005), Six Myths about the Benefits of Foreign Investment: The Pretensions of Neoliberalism. Counter Punch Independence Day Weekend Edition (July 2/4). Available at: <http://www.counterpunch.org/petras07022005.html>

\*Shaikh, A. (2003), Globalization and the Myth of Free Trade, Paper for the Conference on Globalization and the Myths of Free Trade, New School University: New York.

\*Greider, Ch.8

### **b. Subsidies by Developed Countries (Feb 20)**

Former Chief Economist of the World Bank, Joseph Stiglitz in his book on globalization (Stiglitz 2002: xv) comments:

"Today, few -- apart from those with vested interests who benefit from keeping out the goods produced by the poor countries -- defend the hypocrisy of pretending to help developing countries by forcing them to open up their markets to the goods of the advanced industrial countries while keeping their own markets protected, policies that make the rich richer and the poor more impoverished -- and increasingly angry."

Oxfam Briefing Paper 61 (2004), Dumping on the World: How EU sugar policies hurt poor countries, (April). Available at:

[http://www.oxfam.org.uk/what\\_we\\_do/issues/trade/bp61\\_sugar\\_dumping.htm](http://www.oxfam.org.uk/what_we_do/issues/trade/bp61_sugar_dumping.htm)

Monbiot, G. (2005), They bleat about the free market, then hold out their begging bowls, The Guardian, December 13.

UNDP (2005), Unfair Trade Policies Damaging Growth Prospects in Developing Countries.

Available at: [http://hdr.undp.org/reports/global/2005/pdf/presskit/HDR05\\_PR3E.pdf](http://hdr.undp.org/reports/global/2005/pdf/presskit/HDR05_PR3E.pdf)

Chatterjee, P. (2005), Some Strings Attached: Cotton, Farm subsidies tie up global trade talks, CorpWatch, December 13<sup>th</sup>. Available at: <http://www.corpwatch.org/article.php?id=12876>

\*Oxfam Briefing Paper 81 (2005), Truth or Consequences: Why the EU and the US must reform their subsidies, or pay the price. Available at:

[http://www.oxfam.org.uk/what\\_we\\_do/issues/trade/downloads/bp81\\_truth.pdf](http://www.oxfam.org.uk/what_we_do/issues/trade/downloads/bp81_truth.pdf)

## **5. Globalization and the Labor**

### **a. Worker Rights, Labor Standards, and Globalization (Feb 22)**

Greider, Ch. 4, 5, 15, 17; Baker et al. Ch. 10 (p. 245-272)

\*Lloyd, V. and Weissman, R (2001), Against the Workers, *Multinational Monitor* 22 (September). Available at:

<http://multinationalmonitor.org/mm2001/01september/sep01corp1.html>

\*Beek, Kurt Alan Ver (2001), "Maquiladoras: Exploitation or Emancipation?", *World Development* 29(9): 1553-1567

**b. International Migration** (Feb 27)

Baker et al. ch. 13, 14 (p. 325-356, 365-366)

**6. Globalization, Poverty and Inequality** (March 1)

Baker et al. ch. 11 (p. 273-295),

Is Global Income Inequality Increasing or Decreasing?

(<http://ucatlans.ucsc.edu/income/debate.html>)

Weisbrot, M.; Baker, D.; Kraev, E. and Chen, J. (2000), Scoreboard of Globalization 1980-2000: Twenty Years of Diminished Progress. CEPR Briefing Paper.

Weisbrot, M., Rosnick, D. and Baker, D. (2004), Poor Numbers: The Impact of Trade Liberalization on World Poverty, CEPR Briefing Paper. Available at:

[http://www.cepr.net/publications/trade\\_2004\\_11.pdf](http://www.cepr.net/publications/trade_2004_11.pdf)

\*Taylor, L. and Vos, R. (2000), Balance of Payments Liberalization in Latin America: Effects on Growth, Distribution and Poverty, in Enrique Ganuza, Ricardo Paes de Barros, Lance Taylor, Rob Vos (Eds) UNDP, Balance of Payments Liberalization: Effects on Employment, Distribution, Poverty, and Growth

\*Ganuza, E., Barros, R. P., Taylor, L., Vos, R. (Eds) UNDP, Balance of Payments Liberalization: Effects on Employment, Distribution, Poverty, and Growth, Regional Bureau for Latin America and the Caribbean. Available at: <http://www.undp.org/rblac/liberalization/>

\*Morley, S. A. (2001), The Income Distribution Problem in Latin America and the Caribbean, CEPAL.

\* Birdsall, N.; Szekely, M. (2003), Bootstraps, not Band-Aids: Poverty, Equity and Social Policy”, in P.P. Kucsyński and J. Williamson (eds) After the Washington Consensus: Restarting Growth and Reform in Latin America, Institute for International Economics, Washington, DC. Available at: <http://www.cgdev.org/content/publications/detail/2766>

Required film: Corporation, March 3

**7. Globalization, Environment and Public Health** (March 6)

**a. Intellectual Property Rights & TRIPs:** Do WTO rules limit drug affordability and thus cost lives in the developing world?

Oxfam Briefing Paper 56 (2003), Robbing the Poor to Pay the Rich? How the United States keeps medicines from the world's poorest. Available at:

[http://www.oxfam.org.uk/what\\_we\\_do/issues/health/downloads/bp56\\_medicines.pdf](http://www.oxfam.org.uk/what_we_do/issues/health/downloads/bp56_medicines.pdf)

Bhagwati, Jagdish (2002), "[Patents and the Poor](http://www.southcentre.org/info/southbulletin/bulletin43/bulletin43-04.htm)," *Financial Times* (September 16). Available at: <http://www.southcentre.org/info/southbulletin/bulletin43/bulletin43-04.htm>

. Stiglitz, Joseph E (2004) Unfair Trade: U.S. Treaties Hurt the Poorest Partners *Monday, July 12, 2004 by the International Herald Tribune.*

**b. Environmental Effects of Globalization:** Is there a race to the bottom in environmental regulation? (March 8)

Baker et al., Ch. 12 (p. 297-321)

Singh, S. (2000), South's Farmers, Workers are Victims of Northern Toxic Exports, South-North Development Monitor (SUNS). Available at: (<http://www.twinside.org.sg/title/victims.htm>)

Sachs, W. (2004), Globalization and Sustainability, in F. J. Lechner and J. Boli (Eds), *The Globalization Reader*, pp.398-403. Blackwell Publishing.

Shiva, S. (1999) Stopping Biopiracy, Znet. Available at: <http://www.zmag.org/sustainers/content/1999-09/6shiva.htm>

Vallette, J. (1999), Larry Summers' War Against the Earth, *Counter Punch.*

\*Monbiot, G. (2005), The Struggle Against Ourselves. Available at: <http://www.monbiot.com/archives/2005/12/05/the-struggle-against-ourselves/>

\* Shiva, Vandana (2005), Water Privatisation And Water Wars, **July 12, ZNET.** Available at: <http://www.zmag.org/Sustainers/Content/2005-07/12shiva.cfm>

## **PART III: NON-MAINSTREAM APPROACHES TO GLOBALIZATION**

### **8. Capitalism, Globalization and Imperialism (March 20&22)**

Frank, A.G. (1966), The Development of Underdevelopment, *Monthly Review* 18(4): 17-31.

Dos Santos, T. (1970), The Structure of Dependence, *American Economic Review*, 60(2):231-236.

Amin, Samir (2001), Imperialism and Globalization, *Monthly Review*, 53(2),

Went, R. (2002), Globalization in the Perspective of Imperialism, *Science & Society* 66(4): 473-497.

Ruccio, D. (2000), Rethinking Globalization, Paper Presented at the Rethinking Marxism Conference 2001.

\*Gibson-Graham, J.K. (1996), Querying Globalization, in *The End of Capitalism (As We Knew It): A Feminist Critique of Political Economy*, 120-47, Cambridge, MA: Blackwell.



Globalization and Its Discontents, Denison University, Spring 2006

\*Wallerstein, Immanuel (1999), Globalization or The Age of Transition? A Long-Term View of the Trajectory of the World-System", Fernand Braudel Center.

## **PART IV: THE SOCIO-POLITICAL CONSEQUENCES OF GLOBALIZATION**

### **9. The Rise of Neo-Fascist Parties and the Revival of Racism (March 27)**

Polanyi Ch. 19, 20; Greider Ch. 16

Tactaquin, C. (2001), Immigration and Globalization: The UN Conference Against Racism Takes on Migrant Issues, CorpWatch, August 30<sup>th</sup>. Available at: <http://www.corpwatch.org/article.php?id=375>

Nkrumah, G. (2003), Controlling the Flow, *Al-Ahram Weekly*, 27 June. Available at: <http://yaleglobal.yale.edu/display.article?id=1992>

Bunzl, J. (2002), Le Pen is Chief Beneficiary of Corporate Globalisation, Globalization Available at: <http://globalization.icaap.org/content/v2.2/bunzl.html>

**Term Paper is due, March 27**

## **PART V: ALTERNATIVES TO GLOBALIZATION**

### **10. The Anti-Globalization Backlash: Double-Movement in the 21<sup>st</sup> Century and the Political Economy of Opposition (March 29)**

William K. Tabb, After Seattle: Understanding the Politics of Globalization, *Monthly Review*, 51(10), March 2000

Shiva, V. (2004), Ecological Balance in an Era of Globalization. In F. J. Lechner and J. Boli (Eds), *The Globalization Reader*, pp.422-430. Blackwell Publishing.

Subcomandante Marcos (2004), Tomorrow Begins Today. In F. J. Lechner and J. Boli (Eds), *The Globalization Reader*, pp.430-434. Blackwell Publishing.

World Social Forum (2004), Porto Alegre Call for Mobilization. In F. J. Lechner and J. Boli (Eds), *The Globalization Reader*, pp.435-437. Blackwell Publishing.

International Forum on Globalization (2004), A Better World is Possible. In F. J. Lechner and J. Boli (Eds), *The Globalization Reader*, pp.438-448. Blackwell Publishing.

### **11. Progressive Economic Policy and Globalization (April 3&5)**

Greider Ch. 14, 19; Baker et al. Ch 19 (p. 433-464).

Globalization and Its Discontents, Denison University, Spring 2006

Ocampo, J.A. (2005), Globalization, Development and Democracy, *Items and Issues* 5(3): 10-21, Social Science Research Council. Available at: <http://yaleglobal.yale.edu/about/pdfs/ocampo.pdf>

Weisbrot, M. (1998), Globalization for Whom? *Cornell International Law Journal*, Symposium Issue, Vol. 31(3).

**Take Home Final is due, April 24**

**PART VI: RESEARCH PAPER PRESENTATIONS** (April 12, 17, 19, 24, 26)